

U.S. Mission to the UN Agencies in Rome



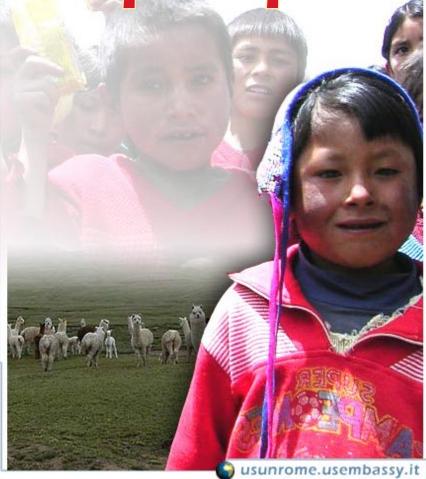
"As with the Himalayan mountains, the Andes impose severe conditions and many limitations on life...Biological adaptations have permitted the native highlanders to work efficiently and survive successfully in the Andean altitudes for 20,000 years."

Library of Congress, Peru Country Study, 1992



U.S. Mission Rome Humanitarian Attaché

Peru Trip Report



USUN Rome Mission Trip Reports

March 27-31, 2004



Table of Content

U.S. Mission Rome Humanitarian Attaché's Peru Trip Report

U.S. Mission Rome March 2004 Trip Report

• Summary	2
• Mountains, desert and rain f	
• Food Insecurity Prevails	3

WFP's Operations in-country 3

•	The status of WFP's operation	S
	in rural Peru	5

- Trip observations and recom-
- Conclusions. 6



Humanitarian attaché visits the "Totoral" women's nursery and reforestation project in the Huancavalica region

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Summary

Tim Lavelle, U.S. Mission/Rome Humanitarian Attaché, vis-▲ ited Peru March 27-31, and traveled to the Peruvian Andean region of Huancavalica to review WFP operations. WFP's program is rightly focused in the Peruvian highlands, where poverty rates are nearly double that of coastal regions.

WFP's program in Peru is at a crossroad. The food security needs of the Andean geographic departments continue to be overwhelming, but resources are few.

Mountains, desert and rain forest

hree times larger than the state of California, Peru has a population of 28.4 million. Peru has three major geographical regions: a narrow coastal belt (approximately 11 percent of the country's total area), the Andean mountains (26 percent), and rain forest or jungle (63 percent.

The Andean mountain regions and departments contain the largest populations of native peoples and are considered to be the most backward, poorest, least educated, and least developed

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part of the nation. These highland Indians are predominantly speakers of the ancient tongues of Quechua and Aymara.



"Parts of Huancavalica jut up to 16,000 feet"

Food Insecurity Prevails

Chronic malnutrition among children in the highlands of Peru is of crisis proportions. In Huancavalica, some 53.4 percent of children under five suffer from growth retardation (stunting). Nationally, up to 60 percent of Peru's undernourished children live in the Andean mountains. In general, over half of rural Peruvians are considered extremely poor, that is living on less than one U.S. dollar per day.



"Cathedral in Huancavalica's main square"

Historically, Peru has been a major recipient of P.L. 480 Title II food aid through U.S. and local non-governmental organizations (NGOs). In past years, \$50 million had been committed annually. The level is presently reduced to \$20 million, and there is in place a negotiated phase-out

of Title II assistance scheduled by 2008.

No USAID P.L. 480 Title II is presently channeled through WFP. USAID does, however, support Title II programs through NGOs in Huancavelica, Apurimac, and Ayacucho, and also in other sierra (highland) provinces that extend into the high Amazon region, where poverty and malnutrition is also high.

Title II and USAID's Poverty Reduction and Alleviation (PRA) project inputs are increasing rural economic opportunities. However, social safety net needs, when Title II is phased out, may outstrip the Government of Peru's ability to respond.

Peru's budget devotes some \$250 million annually to food and nutrition programs through a variety of ministries and programs. A major hurdle is linking these food and nutrition assistance interventions to complementary health, sanitation and behavioral change services. USAID, through Title II partners, and WFP, is assisting the Peruvian Government's National Food Aid Agency (PRONAA) and municipalities to focus food assistance on critical nutrition programs for children under three. Currently government programs are not targeted to this age group.

WFP's Operations in-country

Promotion of Sustainable Development of Andean Micro-watersheds and Food Assistance to Pre-School and Primary School Children in Rural Areas



"A WFP-organized adult literacy meeting in Zachapite"



"Huancavalican school children receiving locally-produced fortified biscuits"

At present, WFP runs two modest food aid interventions.

Life-of-project deliveries for the micro-watersheds project total 16,287 metric tons valued at \$5 million (all multilateral funding); life-ofproject funding for school feeding totals 18,405 mts, valued at \$6.48 million (U.S. Department of Agriculture is the major funder). The micro-watersheds project focuses on 32 sites in Ayachucho, Apurimac and Huancavalica. Interventions include food-for-work for soil conservation and water-management; support to micro-credit; training activities for women; and improving school infrastructure.

The school feeding intervention, in the geographic departments listed above plus the border region with Ecuador, targets approximately 82,500 primary school students. Deworming of the target population is an integral part of the school feeding project.

Overall contributions received by WFP (both development and emergency food assistance), in the period 1999-2003, are 64,605 metric tons, valued at \$19.64 million. Canada is the leading donor (\$7.61 million, 38.7 percent), followed by the United States (\$5.48 million, 27.9 percent).



'Part of a Peruvian primary school complex in Chacampampa, Yauli province

The Status of WFP's operations in rural Peru

WFP's field-level presence is exceedingly limited, as follows: Huancavalica, 2 local staff, working out of a GOP office – no vehicle; Ayacucho, 1 local staff, WFP office with vehicle; Apurimac, 1 local staff with a motorcycle (working out of home); Piura, 1 local staff with a motorcycle (working out of home). There presently exist no Memoranda of Understanding with international non-governmental organizations (NGOs). There are, however, working relationships with a modicum of local NGOs and community organizations. WFP's Lima office (which includes an international staffer who serves as Country Director) totals 11 (including support staff), plus two consultants.

WFP relies on PRONAA to purchase locally, transport and store its food assistance. In Huancavalica, there are PRONAA facilities in the departmental capital. Imported wheat is sold commercially through WFP arrangements with the GOP, with proceeds going into a WFP-controlled fund for local purchases through PRONAA.

Trip observations and recommendations

As approved by the WFP Executive Board in October 2003, 90 percent of WFP's development resources will be focused by 2007 in 36 countries, 29 of which will be least developed countries (LDCs). This does not leave the WFP Secretariat much "wiggle room," for countries such as Peru, whose annual per capita income is around \$2,000. However, home-grown terrorism (Sendero Luminoso – "Shining Path"), albeit considerably reduced, continues its destabilizing subversive activities, and needs to be factored into any decision to totally phase-out social support activities in the Andean region.

The long-term value of education, particularly for girls, to improved nutrition for future generations cannot be overstated. WFP and other UN agencies should actively pursue additional partnerships and complementary funding to cover non-food costs and ensure high-quality education.

Humanitarian Attache met with Monsignor Isidro Barrio (Spanish citizen), Bishop of Huancavalica. Huancavalica has an extensive social outreach network (CARITAS) and it is highly recommended that WFP work out an operational modus operandi soonest with them. Note. In a meeting with Mon. Jose Ramon Martinez (First Secretary) to the Papal Nuncio in Lima on March 31, he was supportive of exploring closer ties between CARITAS and WFP.

UNICEF (with whom we also met in Lima on March 31) is strongly encouraged to focus on supporting education, public nutrition and disease surveillance systems, in the WFP Andean areas. UNICEF Peru's Program Coordinator, Ms. Esperanza Vives, spoke of a recent allotment from UNICEF's Voluntary Support Committee/Spain, to assist primary education in the department of Ayacucho.

The installation of WFP's financial system WINGS is seen as a priority. WINGS' training to date for WFP Peru staff has been spotty.

WFP/UN should intensify efforts to promote income-generating activities wherever possible. Huancavalica presents an ideal working environment for a joint FAO/WFP undertaking related to intensification of vegetable cultivation for both home consumption and commercial sale.

In this regard, US Mission will explore possibilities with the Rome-based Danish PermRep (presently serving as Vice-President of the WFP Board) and the First Secretary of the Peruvian Embassy to the UN Agencies (2004 President of the WFP Board). Simply, micro-watershed and related development projects need sustained technical expertise in order to achieve project objectives.



"WFP school feeding program in Astobamba, Castrovirreyna province"

Conclusion

WFP's program in Peru is at a crossroad. The needs of the Andean geographic departments continue to be overwhelming, but resources are few. WFP Executive Director Jim Morris will visit Lima in May 2004 to meet inter alia with the Government, the UN team, several key donors and the private sector.

Reportedly, with international copper prices up, Peru is more comfortable macro economically, and in the best position in some time to increase its social safety net outlays.

WFP has had good success in obtaining increased private sector support. For example, TPG, the Dutch multinational, will provide WFP with roughly \$11 million in 2004; each of their 160,000 employees is committed to feeding a school child and the company is committed to matching that. All funding options merit close reexamination.